SBC Communications Inc.
1401 I Street, N.W.
Suite 1100
Washington, DC 20005

April 2, 1997

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Dear Mr. Caton:

Re: *CC Docket No. 96-149, Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended; and Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area*

On behalf of SBC Communications Inc., please find enclosed an original and six copies of its *"Opposition to Petitions for Reconsideration"* in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

Alan F. Ciamporcero
Vice President
Federal Regulatory Relations
Pacific Telesis Group
(A subsidiary of SBC Communications, Inc.)

Enclosure

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of: Implementation of the Non-Accounting Safeguard of Sections 271 and 272 of the Communications of 1934, as amended; and Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area	CC Docket No. 96-149

OPPOSITION OF SBC COMMUNICATIONS INC.
TO PETITIONS FOR RECONSIDERATION

JAMES D. ELLIS
ROBERT M. LYNCH
DAVID F. BROWN
175 E. Houston, Room 1254
San Antonio, TX 78205
(210) 351-3478

LUCILLE M. MATES
PATRICIA L. C. MAHONEY
RANDALL E. CAPE
140 New Montgomery Street, Room 1525
San Francisco, CA 94105
(415) 545-7183

Attorneys for SBC Communications Inc.

DURWARD D. DUPRE
MARY W. MARKS
One Bell Center, Room 3520
St. Louis, Missouri 63101
(314) 331-1610

Attorneys for Southwestern Bell
Telephone Company

Date: April 2, 1997

SUMMARY

The Commission should reject the Petitions for Reconsideration ("PFRs") of AT&T, MCI, TCG, Time Warner, Cox, and ALTS. These PFRs request changes to the First Report and Order in CC Docket No. 96-149 that are unnecessary, inconsistent with the Act, and unsupported by the record.

Requests to expand the restrictions imposed under the umbrella of §272(b)(1)'s "operate independently" requirement are the same requests that were carefully considered, and rejected, by the Commission. The Commission examined the restrictions and other safeguards established by Congress, and added only what it found to be necessary to meet Congress' goals. Neither the Act nor the record support imposition of any additional restrictions. The Act does not prohibit a BOC and its §272 affiliate from receiving the same services from another affiliate, such as a holding company or services affiliate.

Attempts to prevent the BOC's §272 affiliate from providing local service are contrary to the Act and would harm the growth of competition in the provision of local service.

The Commission carefully considered reporting requirements under the various provisions of §272, and determined that only §272(e)(1) required reporting by the BOCs. A Further Notice of Proposed Rulemaking was established to determine the appropriate reports. No other reporting requirements are supported by the Act or the record.

Time Warner's attempt to create a separate affiliate requirement for BOC video services where no such requirement exists must be rejected. Section 272(a) requires separate affiliates for interLATA services. Video services are not interLATA services unless they include interLATA transmission and interLATA transmission for BOC video services is excepted from the separate affiliate requirement.

Cox's proposals are not supported by the record in this proceeding and should be rejected.

TABLE OF CONTENTS

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of: Implementation of the Non-Accounting Safeguard of Sections 271 and 272 of the Communications of 1934, as amended; and Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area	CC Docket No. 96-149

OPPOSITION OF SBC COMMUNICATIONS INC.
TO PETITIONS FOR RECONSIDERATION

SBC Communications Inc. ("SBC") on behalf of its subsidiaries and affiliates hereby respectfully submits its Opposition to certain Petitions for Reconsideration in the above-captioned proceeding.

I. INTRODUCTION

Several parties have filed Petitions for Reconsideration of the First Report and Order ("Order")[1] in this Docket. We oppose those Petitions that request changes to the Order that are unnecessary, inconsistent with the Communications Act of 1934, as

[1] Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, CC Dkt. No. 96-149, First Report and Order and Further Notice of Proposed Rulemaking, 5 Comm. Reg. 696 (1996).

amended by the Telecommunications Act of 1996 ("the Act"), or not supported by the record in this proceeding.[2]

II. THE PROPOSALS TO MAKE THE "OPERATE INDEPENDENTLY" REQUIREMENT MORE RESTRICTIVE SHOULD BE REJECTED

AT&T and MCI ask the Commission to change significantly its determinations regarding the interpretation of the Act's "operate independently" requirement (§272(b)(1)) and the sharing of services between a BOC and its §272 affiliate. (AT&T PFR, pp. 2-9; MCI PFR, pp. 3-4.) Not surprisingly, they seek to expand the meaning of "operate independently" to increase greatly the restrictions imposed on the BOCs and their §272 affiliates well beyond what is required by the Act and what the Commission found to be in the public interest. They object to any integration of internal functions and services, raising the spectre of cross-subsidization and cost allocations. (AT&T PFR, pp. 2-3; MCI PFR, p. 8) AT&T would have the Commission prohibit the BOC and its §272 affiliate from sharing a wide variety of services (AT&T PFR, p. 3), and further would not permit those services to be performed for the BOC and the §272 affiliate by another corporate affiliate, such as a holding company or services affiliate. (*Id.*, p. 4 fn. 8)[3]

---

[2] We oppose the Petitions for Reconsideration filed by AT&T Corp. ("AT&T"), MCI Telecommunications Corporation ("MCI"), Teleport Communications Group Inc. ("TCG"), Time Warner Cable ("Time Warner"), Cox Communications, Inc. ("Cox"), and the Association for Local Telecommunications Services ("ALTS").

[3] AT&T's attempt to support its position with language from the Order is at best misleading. It states that the Commission "makes explicit that, to the extent a function is an 'integral part' of an activity subject to §272, it 'must be conducted through the section 272 affiliate', Id., ¶169." (AT&T PFR, p. 2 fn. 5) This is in support of its arguments regarding sharing of functions related to the provision of exchange, exchange access, or interLATA services. However, the paragraph of the Order quoted by AT&T does not discuss those services. Instead, it discusses the relationship of research and development to manufacturing: "As a preliminary matter, we note that the MFJ Court considered equipment design and development to be an integral part of 'manufacturing', as the term was used in the MFJ. We emphasize that to the extent research and development is part of manufacturing, it must be conducted through a section 272 affiliate, pursuant to section 272(a)." [footnote omitted] (Order, ¶169)

The arguments, suggestions, and objections raised by AT&T and MCI are fundamentally the same positions taken by them and others in the comments and reply comments filed in this Docket, which the Commission carefully considered and rejected. The Commission determined that the §272(b)(1) "operate independently" provision imposes requirements in addition to the other requirements of §272(b). (Order, ¶156) In determining what those additional requirements should be, the Commission considered what else Congress had already included in §272. This approach avoids imposing requirements under the umbrella of "operate independently" that are already in place, and it provides a starting place for determining what else, if anything, is necessary to accomplish Congress' goals. As a result of that process, the Commission determined that the only additional restrictions that were necessary related to joint ownership of switching and transmission facilities, including the land and buildings where such facilities are located, and the performance of operating, installation, and maintenance functions associated with those facilities. (Order, ¶158) In reaching this conclusion, the Commission considered cross-subsidization, cost allocation, discrimination, and the meaning of independent operation. (Order, ¶¶159-163, 167, 179) After reviewing those issues, the underlying premise of requiring independent operation, and the totality of the safeguards and requirements imposed by §272 and the Order, the Commission concluded that further structural safeguards were not required.[4] (Order, ¶167)

[4] While the Commission did not specifically discuss its CI-II requirements per se, in fact those requirements are simply additional structural separations requirements, and the Commission concluded that no additional structural separation requirements were needed. (Order ¶167)

The Commission also considered the provisions of §274(b), and rightly determined that §272(b)(1) "should not be interpreted to impose the same obligations on a BOC" as §274(b). (Order ¶157) The overlap between the two provisions indicates that Congress considered the types of safeguards available and carefully specified which are to apply to provision of interLATA service and manufacturing, and which are to apply to electronic publishing. Despite AT&T's claim to the contrary (AT&T PFR, p. 8), these are very different industries, with different issues, and it is not unreasonable to conclude that Congress intended different safeguards to apply.

The Commission carefully considered the degree of sharing of services that would be appropriate, both in the context of "operate independently" and in the context of the separate employee requirement. There is no specific prohibition on shared services in §272 or elsewhere in the Act. While it described a tension between the requirement to operate independently and the sharing of services, the Commission also found that the potential for competitive harm in the sharing of services was not sufficient to require the addition of a prohibition that Congress did not impose. (Order, ¶168)

Furthermore, by requiring that services provided by the BOC to its §272 affiliate be made available to other entities at the same rates, terms and conditions, pursuant to §272(c)(1), the Commission assured there would be no discrimination benefiting the §272 affiliate.[5] (Order, ¶181) The Commission also found that the provision of services by a BOC to its §272 affiliate or vice versa is a transaction under §272(b)(5),

[5] This requirement does not, of course, apply to the provision of marketing and sales services to the §272 affiliate, since §272(g)(3) specifically exempts such services from the §272(c)(1) nondiscrimination requirements.

which must be conducted on an arm's length basis, reduced to writing and made available for public inspection. (Order, ¶181) These requirements further ensure that the relationship between the BOC and its §272 affiliate will be consistent with Congress' requirements. The Commission specifically considered the sharing of marketing services, which AT&T would prohibit, and determined that such sharing is appropriate, given the express language of §272(g). (Order, ¶183)

Many commenters argued in conformity with the NPRM that the separate employee requirement of §272(b)(3) prohibits shared services. (Order, ¶174) The Commission rejected those arguments. (Order, ¶178) As the Commission determined, Section 272(b)(3) is clear -- it prohibits common officers, directors, and employees between a BOC and its §272 affiliate. MCI's argument that sharing of services undermines this requirement is without basis. (MCI PFR, pp. 8-9) The §272 affiliate will, for a variety of reasons, have its own employees. For example, there are certain functions that the BOC is not permitted to perform for the §272 affiliate, and there will undoubtedly be functions that the §272 affiliate will prefer to perform for itself. Sharing of services simply will allow the BOCs and their affiliates to take advantage of the same economies of scope and scale enjoyed by other service providers.

Finally, AT&T suggests that permitting a third affiliate (*e.g.*, a holding company or services affiliate) to provide services for both the BOC and the §272 affiliate would "subvert Congress' intent". (AT&T PFR, p. 4 fn. 8) AT&T misunderstands Congress' intent. Congress cannot have required specifically that "BOC" services be provided to §272 affiliates and other entities on a nondiscriminatory basis without

intending, through the definition of "BOC" that non-BOC affiliate services be excluded from this requirement. Section 272(b) addresses the relationship between the §272 affiliate and the BOC (which is defined, for purposes of §272, to not include any other affiliates) -- it does not mention other affiliates. Second, the example AT&T gives, *i.e.*, transferring network maintenance activities to another BOC affiliate (AT&T PFR, p. 4 fn. 8), could not lead to the integration AT&T opposes, since the FCC has prohibited BOC affiliates from performing operating, installation, and maintenance functions associated with the §272 affiliate's switching and transmission facilities. (Order ¶¶158, 163) Third, even if integration of these functions were permitted, the Commission has required full documentation and cost apportionment in the provision of services by another affiliate, so any attempted improprieties could be identified. (Order, ¶182)

III. THE ACT DOES NOT PROHIBIT §272 INTERLATA AFFILIATES FROM PROVIDING LOCAL SERVICE

TCG and MCI would have the Commission modify the Order to impose a restriction on a §272 affiliate that simply does not exist in the Act, and that is contrary to the policy of increasing competition in the provision of local exchange service. They object to the Commission's determination that a §272 affiliate may provide local exchange service together with its in-region interLATA service, arguing that this is inconsistent with the separate affiliate requirement of §272 and will lead to discrimination and "unjust and unreasonable practices" by the §272 affiliate.[6] (TCG PFR, pp. 1-8; MCI PFR, pp. 3-4).

[6] TCG also expresses concern that the BOC will transfer its bottleneck facilities to the §272 affiliate and that discrimination by the affiliate will be difficult to detect. (TCG PFR, p. 4) The Commission addressed the specific issue of the transfer of facilities by the BOC and determined that any affiliate receiving such facilities would be a successor or assign of the BOC, subject to the same safeguards as the BOC. Based

MCI also objects to a BOC's ability to transfer its official services network to its §272 affiliate. (MCI PFR, pp. 4-5)

The Commission carefully considered these arguments, and found neither a statutory basis nor a public policy reason to adopt the proposed prohibition. (Order, ¶¶312, 315) It found that "the statutory language is clear on its face -- a BOC section 272 affiliate is not precluded under section 272 from providing local exchange service . . . ". (Order, ¶312) Section 272(a) prohibits "a Bell operating company (including any affiliate) which is a local exchange carrier that is subject to the requirements of §251(c)" (*i.e.*, an incumbent LEC) from providing in-region interLATA service except through a §272 affiliate. This is not a prohibition against the provision of local exchange service and in-region interLATA service by a single entity, it is a prohibition against the provision of those specific services by certain specified entities. A §272 affiliate is not inherently one of those specified entities. (Order, ¶312) Thus, the foundation for the entire argument of TCG and MCI is built on a false premise, and the arguments simply cannot stand.

The Commission concluded that the increased flexibility resulting from the §272 affiliate having the ability to provide both interLATA and local services serves the public interest. (Order, ¶315) In addition, it makes sense from a competitive point of view. Other competitors have already begun to offer bundled local and interLATA service, and §272 affiliates would be placed at a competitive disadvantage if precluded from doing the same thing. Furthermore, provision of local service by the §272 affiliate is not the provision of that service by the BOC, so has nothing to do with the independent operation

---

on that determination, the Commission found it "unnecessary . . . to adopt additional nondiscrimination regulations applicable to Section 272 affiliates." (Order, ¶¶309, 311)

requirement. The BOC and the §272 affiliate are not permitted under the Commission's rules to jointly own switching and transmission facilities (Order, ¶158), and while the §272 affiliate may obtain telecommunications services and facilities from the BOC, it may do so only under the same rates, terms, and conditions as are available to other telecommunications carriers. (Order, ¶¶158, 160, 313-316)

Based on those requirements, as well as §§251, 252, and 272, its affiliate transactions rules, its Accounting Safeguards Order,[7] its First and Second Interconnection Orders,[8] and the antitrust laws, the Commission found "no basis in the record for concluding that competition in the local market would be harmed if a section 272 affiliate offers local exchange service to the public that is similar to local exchange service offered by the BOC." (Order, ¶315) This is the correct conclusion and should not be modified.

MCI also asks the FCC to prohibit BOCs from transferring their official services networks to their affiliates. The Order contemplated such transfers, as long as all entities are given an equal opportunity to acquire such facilities from the BOCs.[9] MCI's arguments are not well founded, as explained below, and accordingly its request should be rejected.[10]

---

[7] Implementation of the Telecommunications Act of 1996: Accounting Safeguards Under the Telecommunications Act of 1996, CC Dkt. No. 96-150, Report and Order, 5 Comm. Reg. 861 (1996).

[8] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Dkt. No. 96-98, Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Dkt. No. 95-185, First Report and Order, 4 Comm. Reg. 1 (1996). Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Dkt. No. 95-185, Second Report and Order and Memorandum Opinion and Order, 4 Comm. Reg. 484 (1996).

[9] Order, ¶¶218, 266.

[10] As Pacific Telesis Group pointed out in its reply comments concerning §272(e)(4) (pp. 20-22), a more appropriate interpretation of that section permits a BOC to provide interLATA and intraLATA facilities for use by its §272 affiliate and other interLATA service providers. That issue is being addressed elsewhere.

MCI argues initially that the BOC official services networks "were constructed, and left with the BOCs upon divestiture, ... on the understanding that ... they would be used only for local exchange and intraLATA services".[11] The cite MCI provides for this proposition -- the AT&T Divestiture Court's April 20, 1983 decision approving the AT&T Plan of Reorganization -- nowhere states the limitation MCI attributes to the District Court. In fact, at Divestiture both Bell Atlantic and NYNEX were permitted to provide interLATA services in the Northeast Corridor -- and no limitation was placed upon those BOCs' use of their official services network in providing those interLATA services.[12] MCI's argument is simply wrong.

MCI argues further that "[i]f excess capacity has been built into the OSNs in preparation for interLATA use, the BOCs have been engaging in massive cross-subsidization". (MCI PFR, p. 5) The premise for MCI's argument is faulty. First, there is no evidence in the record that the BOCs' official services networks are overbuilt. Second, even if they were overbuilt, the Commission's interpretation of §§272(b)(5) and 272(c)(1) would require an arm's length, in writing, nondiscriminatory transfer. Finally, although MCI gratuitously states its view that "no other interexchange carrier (IXC) is likely to be interested in acquiring an OSN," MCI cites no record basis for its opinion.

[11]MCI PFR, p. 4-5.
[12] United States v. Western Elec. Co., Inc., 569 F.Supp. 990 at 1002 n.54, 1018-1019, 1023 (D.D.C. 1983).

IV. REPORTING REQUIREMENTS ARE BEING ADDRESSED IN THE FURTHER NOTICE OF PROPOSED RULEMAKING

MCI objects to the Commission's decision not to impose reporting requirements relating to the nondiscrimination requirements of §272, other than §272(e)(1). (MCI PFR, pp. 10-13; *see also* AT&T PFR, p. 2 fn. 4) MCI would have the Commission impose separate sets of reporting requirements relating to §§272(c)(1), (e)(2), and (e)(4). This is in addition to the reporting requirements to be established relative to §272(e)(1).

The Commission did not, as MCI suggests, substitute various provisions of §272 one for another to avoid additional reporting requirements. Instead, the Commission looked at the totality of the safeguards and requirements specified by Congress and the Commission, and determined that they are sufficient to deter and detect any potential violations of §272. (Order, ¶321)

Specifically, the Commission found that: the biennial audit requirement of §272(d) and the demonstration required by §271(d)(3) will facilitate detection of anticompetitive behavior (Order, ¶323); the requirements of §272(b)(5) will "serve as a powerful mechanism" to deter and detect violations (Order, ¶324); the interpretation of §272(c)(1) as a flat prohibition against discrimination will deter anticompetitive behavior (*Id.*); and, the reporting requirements to be imposed relating to §272(e)(1) will provide "information about a BOC's provision of exchange and exchange access services to itself and its affiliates". (Order, ¶252) In addition, the Commission recognized the ability of entities to negotiate for reporting requirements and performance and quality standards in their interconnection agreements. (Order, ¶¶324, 326) Sections 251 and 273 also include

reporting requirements relating to the BOCs' networks. (Order, ¶325) There may also be state reporting and disclosure requirements, along with the FCC's own complaint process. (Order, ¶¶326, 328) The Commission concluded "that a separate disclosure requirement under section 272(e)(2) is not warranted." (Order, ¶252)

These provisions do not, in the Commission's reasoning, substitute one for another. They are, instead, a more-than comprehensive set of requirements that the Commission has determined will "collectively minimize the potential for anticompetitive conduct by the BOC" and will "facilitate detection of potential violations of section 272 requirements." (Order, ¶327) Finally, the Commission reserved the ability to undertake further measures if future developments warrant. (Order, ¶321) MCI dismisses the Commission's scheme of safeguards with a few sentences. The Commission should reject MCI's request to further burden the BOCs and the Commission with additional, unnecessary reporting requirements.

V. INCIDENTAL INTERLATA VIDEO PROGRAMMING SERVICES DO NOT REQUIRE A SEPARATE AFFILIATE

Time Warner attempts to use the Commission's discussion of interLATA information services and incidental interLATA services to impose on a BOC's video programming services a separate affiliate requirement Congress did not contemplate. (Time Warner PFR, pp. 2-6) It attempts to do this by separating the video programming service from the interLATA transmission service (which is clearly exempt from the §271 authorization and §272 separate affiliate requirements (Order, ¶¶92, 94)), while still calling the video programming service interLATA.[13] Time Warner requests the Commission to "clarify that BOC provision of video programming services which fall within the interLATA information services covered by section 272(a)(2)(C) are subject to the section 272 separate affiliate requirement." (Time Warner PFR, pp. 4-5)

Time Warner's argument simply makes no sense. A service is subject to §272's separate affiliate requirement if the service is interLATA in nature.[14] A service such as video programming, without the associated transmission, is not a transport service and by definition cannot be characterized as either interLATA or intraLATA. The associated transmission determines whether the service is interLATA or intraLATA (*i.e.*, if it is

[13] ALTS requests the Commission to create a rule requiring that interLATA information services may be provided only through a separate affiliate after §271 authorization is obtained. (ALTS PFR, 1-4) This is based on the language of ¶121 of the Order. However, in its Order on Reconsideration the Commission modified the language upon which ALTS relies, making ALTS's argument now inconsistent with the language of the Order as revised. Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934 as amended, CC Dkt. No. 96-149, Order on Reconsideration, FCC 97-52 (released Feb. 19, 1997), ¶3.

[14] Section 272 also applies to manufacturing, which is not relevant to this discussion.

transmitted across LATA boundaries, it is interLATA and if the transmission is wholly within a LATA, it is intraLATA). The Commission recognized this in its discussion of interLATA information services. (*See* Order, ¶¶115-121) In rejecting an argument made by MFS that an information service should be considered interLATA even when the BOC does not provide the necessary interLATA transmission component, the Commission stated that in such an instance (*i.e.*, when the BOC does not provide interLATA transmission even if it is providing the information service), the "BOC is not providing any interLATA service." (Order, ¶117) Video programming, without interLATA transmission, cannot be subject to the separate affiliate requirement of §272, because that requirement applies only to interLATA services, and video programming, without interLATA transmission, is not an interLATA service.

A video programming service would become an interLATA service only if it includes interLATA transmission. However, even then such service would not be subject it to the §272 separate affiliate requirement, because interLATA transmission incidental to the provision of BOC video programming service is excepted from the §272 separate affiliate requirement by §272(a)(2)(B)(i). (Order, ¶94)

Time Warner's tortured attempt to create a separate affiliate requirement where none exists should be rejected by the Commission.

VI. COX COMMUNICATIONS, INC.'S PROPOSALS SHOULD BE REJECTED

Cox takes issue with the Commission's determination that no structural or additional nonstructural safeguards need to be imposed on the BOC's provision of incidental interLATA services pursuant to §271(g). (Cox PFR, pp. 2-5) Unfortunately, Cox

relies not on the record in this proceeding, but on the Commission's tentative conclusions and Cox's own comments in other proceedings, to support its argument. (*See, e.g.*, Cox PFR , p. 3 fn. 4 and 6, p. 4 fn. 8 and 9) Contrary to Cox's statements, the Commission's tentative conclusions are just that -- tentative. They are not a finding that can override Commission findings in a different proceeding based on the record in that different proceeding. Cox has made similar arguments in the other proceedings that it cites, and the Commission will consider the complete records in those proceedings in reaching its decisions in those proceedings. In this proceeding, the Commission considered the record, and the relevant sections of the Act, and determined that no structural or additional nonstructural safeguards are necessary. (Order, ¶¶96-98) Cox has presented nothing in its PFR to support a change in that determination.

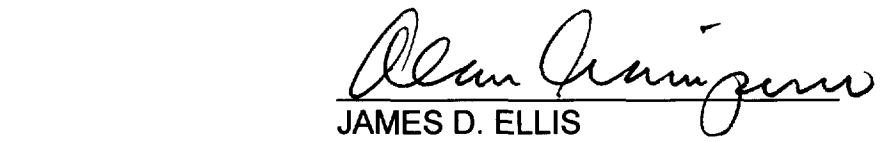
VII. CONCLUSION

The Commission should reject the Petitions for Reconsideration of AT&T, MCI, TCG, Time Warner, ALTS, and Cox. They propose changes to the Commission's First Report and Order in this proceeding that are inconsistent with the Act and public policy.

[Signature page to follow]

Respectfully submitted,

SBC COMMUNICATIONS INC.



JAMES D. ELLIS
ROBERT M. LYNCH
DAVID F. BROWN
175 E. Houston, Room 1254
San Antonio, TX 78205
(210) 351-3478

LUCILLE M. MATES
PATRICIA L.C. MAHONEY
RANDALL E. CAPE
ALAN F. CIAMPORCERO
140 New Montgomery Street, Room 1525
San Francisco, CA 94105
(415) 545-7183

ATTORNEYS FOR SBC COMMUNICATIONS INC.

DURWARD D. DUPRE
MARY W. MARKS
One Bell Center, Room 3520
St. Louis, Missouri 63101
(314) 331-1610

ATTORNEYS FOR SOUTHWESTERN BELL TELEPHONE COMPANY

Date: April 2, 1997

CERTIFICATE OF SERVICE

I, Cheryl Peters, hereby certify that copies of the foregoing "**OPPOSITION OF SBC COMMUNICATIONS INC. TO PETITIONS FOR RECONSIDERATION**" regarding CC Docket No. 96-149 were served by hand or by first-class United States Mail, postage prepaid, upon the parties appearing on the attached service list this 2nd. day of April, 1997.

BY: _____
Cheryl Peters

Service List Docket 96-149

Richard J. Metzger
Association for Local Telecommunications Service
General Counsel
1200 19th Street, N.W. Suite 560
Washington, DC 20036

Mark C. Rosenblum.
Leonard J. Cali
James H Bolin, Jr
Attorneys for AT&T Corp.
295 North Maple Avenue, Room 3247H3
Basking Ridge, NJ 07920

Walter H. Alford
William B Barfield
Jim O Llewellyn
Attorneys for BellSouth Corporation
1155 Peachtree Street, NE, Suite 1800
Atlanta, GA 30309-2641

David G. Frolio
Attorney for BellSouth Corporation
1133 21st. Street, NW
Washington, DC 20036

Werner K. Hartenberger
Laura H. Phillips
Christina H. Burrow
Attorneys for Cox Communications
Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, N,W. Suite 800
Washington, DC 20036

Frank W. Krogh
Mary L. Brown
Attorneys for MCI Telecommunications
Corporation.
1801 Pennsylvania Ave, N.W.
Washington, D.C 20006

Teresa Marrero
Senior Regulatory Counsel
Teleport Communications Group, INC.
One Teleport Drive
Staten Island, New York 10311

Brian Conboy
Sue D. Blumenfeld
Michael G. Jones
Attorneys for Time Warner Cable
Willkie Farr & Gallagher
Three Lafayette Center
1155 21st. Street, N.W.
Washington, DC 20036

Richard A. Karre
Attorney for US WEST, INC.
1020 19 th. Street, N.W, Suite 700
Washington, DC 20036